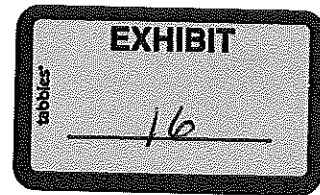


Valley Water Systems
INCORPORATED



BUREAU OF WATER PROTECTION AND LAND REUSE
OFFICE OF THE BUREAU CHIEF
JAN 19 2010

January 12, 2010

Mr. Paul E. Stacey
State of Connecticut
Department of Environmental Protection
Planning & Standards
79 Elm Street
Hartford, CT 06106-5127

Subject: Draft Stream Flow Regulations

Dear Mr. Stacey:

Pursuant to the above subject, please note the following concerns of Valley Water Systems, Inc. (VWS).

In accordance with regulations pertaining to Level "A" mapping, VWS has completed this initiative and currently has a diversion permit application before the D.E.P. The diversion permit would replace a consent decree which presently allows VWS to withdraw up to 2.17 MGD from its Woodford Avenue wellfield. In order to maintain its present rate of withdrawal, VWS has taken great pains to mitigate distribution system water losses and efficiently utilize supplies. The results of these efforts have produced non-revenue water ratios below the five % range the past two years and for the current calendar twelve months. Further, through overall conservation initiatives, total residential demand had trended downward over the past eight years.

However, despite the foregoing achievements, VWS needs every allowed gallon of water consistent with the consent decree in effect for expected growth in its service area. New customer growth and accompanying revenues are expected to offset the continuing spiral of costs emanating from operating, testing and mandates. Our overriding mission at VWS is to be able to furnish perfectly safe water at *affordable* rates. Therefore, our firm objective is to preserve the availability of our supplies which we have relied upon for the past several decades. Any mandated diversion of our allowed wellfield withdrawals would have serious economic consequences to our Company and its customers.

Your consideration of the foregoing is appreciated.

Very Truly Yours,

Donald E. Vaughan, President

DV/nl